



## NASFAA TRANSITION PRIORITIES

The National Association of Student Financial Aid Administrators (NASFAA) appreciates the opportunity to contribute ideas to President-Elect Obama's transition team. The following suggestions represent what the Administration can do, both legislatively and through the Department of Education, to strengthen the ability of students to benefit from higher education, and by extension, to advance our society.

### Legislative / Budgetary

- **Strengthen core financial aid programs such as the Pell Grant**, and rescind low-impact, narrowly-targeted programs like ACG/SMART. **Fully fund and dramatically increase Pell Grants** and/or move the program into mandatory spending.
- **Recommit to need-based programs** and reverse the trend toward federal aid based on merit rather than on the student's need for assistance.
- **Build on the founding principles of Income Based Repayment** to include a much wider array of borrowers.
- **Strengthen the campus-based programs**, which provide flexibility to schools to meet the specific needs of their individual populations.
- **Dramatically increase loan limits** with specific emphasis on subsidized loans for low-income students and students adversely affected by the current economic recession.
- **Increase funding of discretionary Title IV aid programs.** Many previous administrations have decreased funding in their first budget request. Increases will be seen as a positive signal that the Administration is committed to college access.
- **Require school certification** on all private loans to ensure students exhaust all forms of federal, state, and institutional aid before using more expensive private loans.

### Department of Education

- **Minimize the need for institutions to fulfill meaningless data collection requirements at the cost of serving students.** The Higher Education Opportunity Act (HEOA) requires an inordinate amount of reporting from institutions. Only truly essential reporting should be required.
- In consultation with representatives of the financial aid community, **formulate a federal standard for ethics related to federal student aid that clearly supersedes state laws and rules**, and work toward state acceptance of this single standard.
- NASFAA supports simplification, but urges the new Administration to **ensure that simplification does not come at the expense of equity, result in a proliferation of state or institutional aid forms, or inadvertently place additional burdens on schools at the cost of serving students.**
- **Regulate only where necessary** to ensure compliance with legislation and the integrity of the programs.
- **Designate a high-ranking member of the Administration to meet with** the higher education community on a regular basis for an open and free exchange of information and ideas.
- **Remain open to revisiting past decisions** implemented through the negotiated rulemaking process that have proven detrimental to students.
- **Ensure that individuals from higher education associations are represented during negotiated rulemaking sessions**, because these associations represent constituents who must enact the regulations.